

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS, EASTERN DIVISION

AMERICAN INTERNATIONAL)	
GROUP, INC., <i>et al.</i> ,)	Case No. 07 CV 2898
)	
Plaintiffs,)	Judge Robert W. Gettleman
v.)	
)	
ACE INA HOLDINGS, INC., <i>et al.</i> ,)	Magistrate Judge Sidney I. Schenkier
)	
Defendants.)	
)	
LIBERTY MUTUAL INSURANCE)	
COMPANY, <i>et al.</i> ,)	
)	
Counter-Claimants,)	
)	
AMERICAN INTERNATIONAL)	
GROUP, INC., <i>et al.</i> ,)	
Counter-Defendants.)	
)	
SAFECO INSURANCE COMPANY OF)	✓ Case No. 09 CV 2026
AMERICA and OHIO CASUALTY)	
INSURANCE COMPANY, individually, and on)	Judge Robert W. Gettleman
behalf of a class consisting of members of the)	
National Workers Compensation Reinsurance)	Magistrate Judge Sidney I. Schenkier
Pool,)	
)	
Plaintiff,)	
v.)	
)	
AMERICAN INTERNATIONAL GROUP, INC.,)	
<i>et al.</i> ,)	
)	
Defendants.)	

SCHEDULING ORDER ON STATISTICAL SAMPLING OF LIBERTY

The Court enters the following Scheduling Order to govern proceedings in the above-captioned cases with respect to statistical sampling of policy and underwriting files to be produced by Liberty Mutual Insurance Company (“Liberty”):

1. Dr. Kadane having approved a methodology for a pilot sample of Liberty’s policy and underwriting files on July 15, 2010 and selected files pursuant thereto that same day, Liberty shall begin a rolling production of the selected files on or before July 29, 2010 with such production to be completed no later than August 16, 2010. For the seven files that Dr. Kadane selected on July 21, 2010, production shall be completed no later than August 31, 2010.

2. Within ten (10) days after the completion of Liberty’s production of the selected files, AIG shall present its conclusions regarding the pilot sample to Liberty and Dr. Kadane. Liberty shall serve a written response to AIG’s conclusions regarding the pilot sample within ten (10) days.

3. AIG shall submit a proposed statistical sampling methodology (the “Full Methodology”) to guide the production of files from Liberty within ten (10) days of receiving Liberty’s written response to AIG’s conclusions regarding the pilot sample. Liberty shall provide AIG and Dr. Kadane with Liberty’s objections and/or suggestions for modifications to the proposed Full Methodology within ten (10) days of receiving it.

4. Within 10 days of receiving a Defendant’s objections and/or suggestions on a proposed Full Methodology (or as soon thereafter as Dr. Kadane deems feasible and appropriate in light of his dialogue with the parties), Dr. Kadane will review the proposed Full Methodology, pose clarifying questions if needed, and provide the parties and the court with his recommendation as to the sampling methodology that should be employed. In making that

recommendation, Dr. Kadane is not bound by the proposals of the parties. The interested parties shall file any comments or objections to Dr. Kadane's recommended sampling methodology within 10 days of receiving it.

5. As soon as practicable after AIG's Full Methodology is approved, Dr. Kadane shall randomly select the files to be included in the statistical sample using consecutively numbered lists of Account Number/Contract Year combinations compiled by AIG from the data files produced by Liberty. AIG shall provide the list to Dr. Kadane and Liberty simultaneously, and Liberty shall have an opportunity to inspect it.

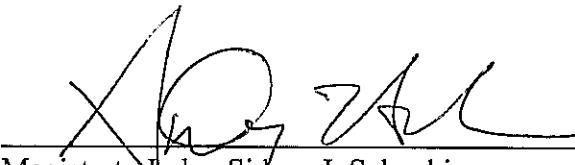
6. As soon as practicable but, in no event later than fourteen (14) days after Dr. Kadane makes his selection from each list, Liberty shall begin a rolling production of the selected files.

7. The production of the selected files shall be completed within sixty (60) days of the date Dr. Kadane makes his selections.

8. As provided in the Court's Order of June 25, 2010, at the next scheduled status conference after August 5, 2010, the Court will discuss with the parties an appropriate procedure for addressing any objections and entering an order adopting a sampling methodology. The deadline of March 15, 2011 for completion of all fact discovery remains in effect. The Court shall be given regular monthly updates on the status of the approval by Dr. Kadane of sampling methodologies, the timeliness of the production of policy and underwriting files by the party whose files are being sampled, and any other issues on which the Court can assist the parties in order to expedite the completion of sampling and related discovery before the March 15, 2011 cut-off.

SO ORDERED:

Date: 07-28-10



Magistrate Judge Sidney I. Schenkier
United States District Court
Northern District of Illinois